Scope of trade with the United States

*404. SHRl SURESH PACHOURI: Will the Minister of COMMERCE be pleased. 0 state:

(a) whether it is a fact that there is a large scope for expanding trade with the United States;

(b) whether Government have identified items for export which are in great demand in the United States;

(c) if so, what are the details in this regard; and

(d) if the answer to part (b) above be in; he negative, what are the reasons there-for ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) Yes, Sir.

(b) to (d) A statement is laid on the Table of the House.

Statement

India's non-nil exports to USA during the last few years have coninously shown a rising trend and it has risen from Rs. 950 crores in 1982-83 10 Rs. 1, 994 crores n 1985-86.

The main products ported to USA in recent years have liamonds, readymade earments and other extiles, crude petroleum, petroleum pvo-lucts, engineering products; leather and ta products, carpets and rugs, and agii-ultural products such as cashew-nuts, pices and marine products. Exports of rude petroleum has now Heen phased out. "he main items in which exports are exerted to continue to grow are diamonds nd jewellery, readymade garments and extiles leather products, engineering goods, ectronic goods and agricultural products.

SHRI SURESH PACHOURI: May I tow from the hon. Minister what is the due of imports from the U. S. A. every j far and whether import items have been entified so far or not, and whether there any ponsibility of more exports to U. S. A. d ies imports from that country, and if by when ?

SHRI P. R. DAS MUNSHI: I would e to give the imports and exports ares relating to U. S. A. Sir, in 1984 the ' imports figures is 1548. 1 million dollars and the figures of exports is 2551. 4 million dollars. The balance of trade was in our favour to the tune of 1003. 3 million dollars. In 1985 exports were to the tune of 2294. 7 million dollars. the imports were to the tune of 1617. 7 million dollars. So, the balance of trade was in our favour to the tune of 677 million dollars. And in the current year, upto August, the provisional figures of exports are 1548. 6 million dollars, and imports to the tune of 1004. 8 million dollars Balance of trade is in our favour to the tune of 548 million dollars.

SHRI SURESH PACHOURI: Sir, in a meeting of the Federation of Indian Exports Organisation, it was stated that for expanding trade with the U. S. there should be combined efforts to increase the exports from this country. May I knew from the hon. Minister what efforts have been made to remove the fade imbalance and what has been the result ?

MR. CHAIRMAN: There is no imbalance. Your question is not correct. Shri Yadav.

श्री [illegible] प्रसाद यादव : मैं मंत्री जी से जानना चाहता हूँ कि जो हीरे आभूषण, [illegible], कपड़े, इंजीनियरिंग वस्तुएं आदि इन चीजों की जो आपने [illegible] की बड़ी लम्बी फेहरिस्त दी है इसमें [illegible] पार्टिसिपेशन क्या है? अभी [illegible] हुआ था यह जानकारी मिली है कि लगभग ढाई-तीन करोड़ के आभूषणों की बिक्री के आर्डर यहां प्राप्त हुए हैं। इसके साथ मैं जानना चाहता हूं कि आभूषण और हीरों का व्यापार बढ़ाने के लिए क्या सरकार के पास कुछ और नये तरीके हैं?

SHRI P. R. DAS MUNSHI: Sir I would like to inform the hon. Member that so far as the exports of gem and jewellery is connected there has been considerable increase. Exports in this sector accounted for 28 per cent of the total non-crude oil exports last year. The figures are heartening. There has been an increase in the exports of gem and jewellery, diamonds and other things. Diamond export was 288 million dollars between January to August. 1985. and it increased to 422. 8 million dollars between January to August, 1986.

श्री क.लक्ष्मी प्रसाद यादव : दूसरी चीजों का अलग अलग नहीं बताया । इसमें कई चीजों की फेहरिस्त है लेकिन वस्त्र आदि किसी का नहीं बताया ।

श्री प्रियरंजन दास मुंशी : जहां तक वस्त्रों का सवाल है आनरेबल मेम्बर को जानकारी है कि यू.एस. में वस्त्र का व्यापार करने के लिए हमारे ऊपर कुछ रिस्ट्रिक्शंस आते हैं क्योंकि सारे डवलपिंग नेशन के साथ उनका कोटा बंधा हुआ है लेकिन फिर भी इस मसले पर हम "गाट" के नियमों के अनुसार उनकी अथारिटीज के साथ बातचीत करते हैं और यह भरोसा है कि इस मसले में भी हम लोग कुछ आगे बढ़ सकेंगे ।

SHRI A. G. KULKARNI: Sir, may I know from the hon. Minister, in the total exports to the U. S. A., what is the position of handloom cloth which was getting some tariff protection ? I would like to know whether it is being maintained or even increased ? Secondly, 'is the hon. Minister aware that the World. Bank had ' made studies in regard to export of engineering goods from this country, particularly to the U. S. A., in which it has been suggested that because of the input j prices of the Indian engineering goods, i exports are not competitive in the U. S. market ? I would like to know whether j it Is correct ? Lastly, Sir. I would like to know whether it is correct that in the j total import package, import of capital j goods increased by 16 per cent as against the 2. 5 per cent envisaged ? • If so, what J is the quantum of imports from the U. S. A. ?

SHRI P. R. DAS MUNSHI: Sir, so far as handloom is concerned, as I said j earlier, there is some quota in the case of cotton textiles and readymade garments. I would like to point out to the hon. Member that it is applicable not only to India; it is applicable to all other develop- 'j ing nations as well. We had taken up this matter with the U. S. authorities as to how this can be increased. But it is a fact that there is a decline in exports during the current year in some textile items j Between January to August, 1985, the' export of cotton fabrics was 28. 5 million dollars. Now it is 22 million dollars. j Obviously, there is a decline. As the hon. Member is aware, when U. S. authorities impose restrictions there are three avenues for us to pursue the matter. One is that we take it up with the U. S. authorities. They have a quasi judicial manner to dispose of the matter. We have taken up some cases,: he result of which is expected shortly. We will know the position very shortly. Sometimes, we have taken up the matter with the Government bilaterally. And finally we take it up with the GATT. So far as the U. S, tariff is concerned they consider the items in this manner. If they consider that in our country something is sold at a price little higher than the export value in their country, then they impose anti-dumping duties. So, so far as handloom garments and handloom cloth are concerned, I would like to inform the hon. Member lhat we are trying to increase our export potential in U. S. market in totality of the textile and readymade garments export programme, not exclusively for handloom alone.

MR. CHAIRMAN: There was also the question of engineering and capital goods.

SHRI P. SHIV SHANKAR: I would like to add one more point to the question of tariff regime that has been asked. So far as the United States is concerned, the tariff barriers they create are in different forms, be it in the process of antidumping measures, be it in the process of countervailing duties. In this way, tbey create restrictions for the free flow of the goods from the third countries. In fact, the hon. Member may be aware that in recent times, on certain iron and steel items imposed countervailing duty. We tak© up the matter not only bilaterally with, the U. S. but also in Geneva under the GATT so that a discussion can take place and the matter is sorted out. This type of activities the U. S. undertakes from time to time with reference to different countries. In fact, they have done so in our case also.

The other point that the hon. Member was pleased to ask was with reference to the capital engineering goods. The question that was posed was whether it is not correct that 16 per cent rise in the imports lias been affected. I agree that there had been an increase near about to the extent, not precisely 16 per cent, but the position is that the engineering machinery was necessary for this country for the purpose of production of more goods, to improve the economy, and also for the purpose of increasing export so that the quality products could be made, as also the volume of the products manufactured could be increased. It is for that purpose that it was necessary.

The other point that *the* hon. Member has been pleased to ask was with reference to: he World Bank report. On the question whether the price of engineering goods is high as a result of which it has not been possible for us to compete in the open U. S. market for the purpose of export from here, it is partly true, partly no: correct, because even in America today the position is that in respect of certain of the engineering goods, the cost of production is too high and that is why there is a lot of diversion, but the fact i of the matter is that it is true that our exports of engineering goods have not been that encouraging as they ought to have ■ been. We are, on our part, making all efforts to see that we. bring down the cost, we improve the quality, improve the | volume of production so that the exports I become profitable.

MR. CHAIRMAN: Mr. Narayana swamy. *(Interruptions).* No,. no. the Miniter has answered every thing.

SHRI V. NARAYANASAMY: The hon. Minister in his reply has stated that the quantum of export in 1985-86 is of the order of Rs. 1994 crores. I would like fo know, what was the target fixed for the purpose of export to USA for all these items including agricultural products and whether there is any upward trend in tha?

SHRI P. R. DAS MUNSHI: The export targets for the whole country,. -is I have said the other day in the. House, is more than Rs. 12, 000 crocs in which it was estimated that out of the figure of 'total annual exports for 1985-86, 18% was for USA. This year the trend as you see, has been that out of the export target of India, already we have improved [the position and the non-oil exports are 17% above the previous year's exports. We think finally at the end of this year, i will be a little more than that.

SHRI GHULAM RASOOL MATTO: Sir, in regard to the export of handicrafts the problem has arisen with the United States that foi- ihe purposes of exports of shawls and goods made of cloth they take it in the quota of cloth. Will the hon. Minister consider that in the negotiations that they are having, the handicraft items will be separately taken and separately listed and not included in the garments and other textiles?

SHRI P. R. DAS MUNSHI: They have not agreed so far, but our efforts are : on.

MR. CHAIRMAN: Next question. No. 405.

Controversial map published by the USA relating to India

-405. SHRI DHARAM CHANDER PRASHANT!:

SHRI KAPIL VERMA:

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether Government are aware that the US Pacific Command has issued, a map in its publication "The Asian Pacific Defence Forum" showing large chunks of Indian territory like parts of Punjab, Uttar Pradesh, Jammu and Kashmir and Himachal Pradesh as disputed territory; and

(b) if so, whether Government have taken up the issue with the U. S. Government

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRs (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) Yes, Sir. The U. S. Department of Defence in response to a demarche made by our Embassy have regretted the inaccurate depiction and stated that the maps in the publication Asia Pacific Defence Forum will be corrected.

The question was actually asked on the floor of the House by Shri Dharam Chander Prashant.